

HOUSE BILL REPORT

HB 2753

As Reported by House Committee On:
Agriculture & Natural Resources

Title: An act relating to the management of state-owned forest land.

Brief Description: Creating a joint legislative forest management work group and requiring final sustainable harvest levels to be adopted by rule.

Sponsors: Representatives Linville and Rockefeller.

Brief History:

Committee Activity:

Agriculture & Natural Resources: 1/30/04, 2/6/04 [DPS].

Brief Summary of Substitute Bill

- Creates the Joint Legislative Forest Management Work Group to study the third-party certification options available to the state.
- Requires adoption of the final sustainable harvest level calculation by the Department of Natural Resources to be delayed until a small business economic impact statement, a cost/benefit analysis, and a report has been prepared.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Linville, Chair; Rockefeller, Vice Chair; Eickmeyer, Grant, Hunt, McDermott and Quall.

Minority Report: Do not pass. Signed by 6 members: Representatives Schoesler, Ranking Minority Member; Holmquist, Assistant Ranking Minority Member; Kristiansen, Assistant Ranking Minority Member; Chandler, Orcutt and Sump.

Staff: Jason Callahan (786-7117).

Background:

Forest Certification

Forest certification is a process in which a forest landowner undergoes an audit of the forest practices utilized on his or her land by a third party organization. If the forest practices of the landowner are modified to satisfy the standards for long-term sustainability identified by the

third party organization, then that organization will "certify" that any wood products originating from that land holding were grown in a way that will provide long-term sustainability for the forest resource.

Currently, state-owned forest lands are not certified by any of the known third-party organizations. Certain lands managed by the Department of Natural Resources (DNR) have previously been audited by the third-party organization known as the Forest Stewardship Council; however, the required identified management changes were not instituted, and certification has not been granted.

Sustainable Yield Calculation

The DNR is responsible for managing state-owned lands forest lands on a sustained yield basis. To achieve a sustained yield, the DNR must manage the state's forests to provide a continuing harvest level without any prolonged curtailments or cessation of harvests. To satisfy this requirement, the DNR is required to periodically adjust their sustained yield management program and recalculate a sustainable harvest level. That level represents the volume of timber scheduled for sale from state-owned lands during the upcoming planning decade.

Summary of Substitute Bill:

Forest Certification

The Joint Legislative Forest Management Work Group (Work Group) is created to meet in the 2004 legislative interim. The Work Group is charged with studying the third-party certification options available to the state. This includes:

- Examining the standards of various certification organizations;
- Exploring the costs and benefits associated with third-party certification of state forests;
- Examining the details of any completed certification audits of state forests; and
- Comparing the standards of various certification organizations with the forest management practices currently required on state-owned forests under the forest practices rules and any applicable habitat conservation plans.

The Work Group could have up to twelve members appointed by the Speaker of the House of Representatives and the President of the Senate. Representation on the Work Group must reflect an equal proportion of the two major political parties. Staff for the Work Group will be provided by the Office of Program Research and Senate Committee Services.

If the Work Group reaches any recommendations, these must be forwarded to the entire Legislature in the form of draft legislation by the start of the 2005 legislative session.

Sustainable Yield Calculation

The DNR is required to prepare a small business economic impact statement and a cost/benefit analysis on the final sustainable harvest level identified by the Board of Natural

Resources. In addition, the DNR must prepare a report to the Work Group that compares the forest management practices that are required on state forest land with the standards of the certification organizations that have conducted full or partial audits on DNR-managed land. The final sustainable harvest level calculation may not be formally adopted until the report is delivered to the Work Group, which may be no later than December 13, 2004.

Substitute Bill Compared to Original Bill:

The original bill required the DNR to conduct a full rule-making process under the Administrative Procedure Act on the sustainable harvest level adopted by the Board of Natural Resources. In addition, the original bill did not require the DNR to prepare a report for the Work Group.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: (Original bill) The forest management conducted on the state forests is already close to the standards for certification. Gaining the certification will make the state more competitive in the marketing of its timber. By embracing the concept, government can play an important leadership role.

Certification does not erode the productivity of the forests, and it increases the value of the timber growing on the forests. Certified forests are forests that are managed in a healthy manner, and promote diverse wildlife.

The wood products market needs certified wood to fill demand. There is a shortage of certified wood in Washington, and manufacturers are having to look towards other states to fill their needs. Washington should take advantage of the growing market demand.

Certification standards have been adopted worldwide, including in the state-managed forests of other states and on Fort Lewis. Certification is not just a trend. It is a way to educate the public that not all forest activities have a negative effect on the environment.

Testimony Against: The sustainable harvest calculations have already undergone an involved public process. Adding new steps would be redundant. The level chosen by the Board of Natural Resources will be both environmentally and economically sustainable over time, and will not preclude future certification. The DNR should be able to go forward with their existing plans for the adoption of the harvest level.

Research shows that adapting the state's forest management to comply with certification standards would lower revenue to the beneficiaries of the forest trusts by adding further restrictions. This runs counter to the state's undivided loyalty to the beneficiaries. The profit margin for certified wood is small, and mostly realized by the retailers and not the producer.

The protections in the forest practice rules and habitat conservation plans offer strong environmental protections, so certification is unnecessary.

Persons Testifying: (In support) (Original bill) Douglas Grover, Lanoga Corporation/Lumberman's; Bettina von Hagen, Ecotrust; Nina Carter, National Audubon Society; Mike Ryherd, Northwest Ecosystems Alliance; Bill Robinson, Nature Conservancy of Washington; Peter Goldman, Washington Forest Law Center; and Alan Soicher.

(Concerns) (Original bill) Bruce Mackey and Craig Partridge, Washington State Department of Natural Resources; Bill Garvin, Washington Forest Protection Association; John Gorman, Sustainable Forestry Initiative; Bill Stauffacher, American Forest and Paper Association; Dean Schwickerath, Grays Harbor Audubon Society; and Rod Fleck, City of Forks.

(Opposed) Carol Johnson, North Olympic Timber Action Committee.

Persons Signed In To Testify But Not Testifying: None.